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May 22, 2018

**VIA: ELECTRONIC FILING**

Ms. Carlotta S. Stauffer  
Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

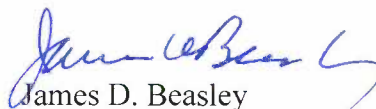
Re: Petition for recovery of costs associated with named tropical systems during the 2015, 2016 and 2017 hurricane seasons and replenishment of storm reserve subject to final true-up, by Tampa Electric Company  
FPSC Docket No. 20170271-EI

Dear Ms. Stauffer:

On January 17, 2018 we submitted Tampa Electric Company's answer to Staff's First Data Request in this docket. Attached is a revised response to that First Data Request, marked Revised 5/22/2018, to reflect the fact that the company is seeking recovery for the short-term debt costs associated with the portion of storm costs incurred above the company's reserve. We would appreciate your distributing this revised response to recipients at the Commission of the original response.

Thank you for your assistance in connection with this matter.

Sincerely,

  
James D. Beasley

JDB/pp  
Attachment

cc: All Parties of Record (w/attachment)

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 20170271-EI  
STAFF'S FIRST DATA REQUEST  
REQUEST NO. 1  
PAGE 1 OF 1  
FILED: JANUARY 17, 2018  
REVISED: MAY 22, 2018**

1. Please provide a detailed description of the carrying costs included in Tampa Electric's proposal, specifically, the method of financing the incremental storm costs and the associated costs.
  - A. Tampa Electric has finalized the total recoverable amount of \$100,369,592 for prudently incurred storm restoration costs. This total recoverable cost is developed from the five named tropical storms as follows: \$710,037 from Tropical Storm ("TS") Erika; \$2,547,505 from TS Colin; \$5,361,042 from Hurricane Hermine; \$1,039,216 from Hurricane Matthew; \$90,017,921 from Hurricane Irma; \$621,694 for the interest expenses through May 31, 2018 associated with the restoration costs that exceeded the company's storm reserve; and \$72,214 for Regulatory Assessment Fees. Because the company's reserve is unfunded, and the amount of storm costs incurred during the five named tropical storms, the company's storm reserve balance has been exceeded and requires the company to raise additional capital to pay for those costs. As such, Tampa Electric is seeking recovery for only the short-term debt costs associated with the portion of storm costs incurred above the company's reserve. The table on the following page shows the methodology for calculating the associated interest expense for the storm costs that exceeded the reserve.

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**Tampa Electric's Storm Reserve Balance History**

**1994-2017**  
(In \$ Thousands)

Year	Beginning Balance	Storm Expense Accrual	Restoration Cost Incurred	Transfer to Capital	Ending Balance
1994	0	(4,000)	0	0	(4,000)
1995	(4,000)	(4,000)	0	0	(8,000)
1996	(8,000)	(4,000)	0	0	(12,000)
1997	(12,000)	(4,000)	0	0	(16,000)
1998	(16,000)	(4,000)	0	0	(20,000)
1999	(20,000)	(4,000)	0	0	(24,000)
2000	(24,000)	(4,000)	0	0	(28,000)
2001	(28,000)	(4,000)	0	0	(32,000)
2002	(32,000)	(4,000)	0	0	(36,000)
2003	(36,000)	(4,000)	0	0	(40,000)
2004	(40,000)	(4,000)	71,965	0	27,965
2005	27,965	(4,000)	2,394	(38,877)	(12,518)
2006	(12,518)	(4,000)	220	0	(16,298)
2007	(16,298)	(4,000)	(12)	0	(20,310)
2008	(20,310)	(4,000)	1,658	0	(22,652)
2009	(22,652)	(6,667)	0	0	(29,319)
2010	(29,319)	(8,000)	0	0	(37,319)
2011	(37,319)	(8,000)	1,925	0	(43,394)
2012	(43,394)	(8,000)	1,185	0	(50,209)
2013	(50,209)	(6,667)	1,015	0	(55,861)
2014	(55,861)	0	0	0	(55,861)
2015	(55,861)	0	0	0	(55,861)
2016	(55,861)	0	0	0	(55,861)
2017	(55,861)	0	102,555	0	46,694
2018	<u>46,694</u>	<u>0</u>	<u>(2,879)</u>	<u>0</u>	<u>43,815</u> *
			Amount needed to Replenish Reserve		99,676
			Resulting Reserve		<u>55,861</u>

\*The \$43,815K is the expected reserve balance as of May 31, 2018